NON-STOCK CORPORATIONS—RIGHT TO MERGER UNDER VIRGINIA CODE §§ 3821-3822.—On a question of merger under §§ 3821-3822, Code 1919, the Court of Appeals recently *held,* in the case of *Jones* v. *Rhea,*[1] which was an attempt made by the majority members to consolidate the Commonwealth and Westmoreland Clubs of Richmond, Virginia, that the said sections applied to business or stock corporations only and conferred no power on social clubs or non-stock corporations to merge.

The Court placed its decision on the grounds that the right of corporations to merge must be plainly given; that § 3821 is not a general statute but applies only to business and stock corporations and not to non-stock social clubs. This section reads in part as follows:

> "* * * *any corporation* organized, or to be organized * * * may merge or consolidate * * * with any other corporation organized for the *purpose of carrying on the same or similar business* * * * ". (Italics ours)

In reaching its decision the Court said:

> "The general trend of judicial finding is to the effect that corporations for social purposes * * * are not business corporations, and therefore as a general proposition, are not in the legislative mind when statutes are enacted and directed against business corporations."

The Court then concluded that, although corporations for social purposes were not expressly excepted in the statute, the General Assembly had in mind *business corporations* only; that there was no grant of authority for the merger of social non-stock corporations; and that consequently the merger of the two clubs could not be effected.

B. D. A.

LIABILITY OF PRIVATE CHARITY HOSPITAL, TO PAY PATIENTS, LIMITED TO DUE CARE IN SELECTION OF OFFICERS AND SERVANTS.—A husband engaged the services of the defendant hospital for his wife, who was soon to be confined. The hospital was a charitable institution. The husband was ignorant of this fact. He agreed to pay whatever the charge might be and his wife was accepted as a pay patient. Shortly after delivery, the infant was scalded to death by the negligence of the nurse. It was *held* that since negligence in the selection of the nurse was not shown, the hospital was *not liable.*[1] This decision is rested on the grounds (1) that such exemption of a charity hospital is in the interest of public policy and (2) that it may be conclusively presumed, from the

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[1] (Va.) 107 S. E. 814.

[1] Weston's Adm'x *v.* Hospital of St. Vincent of Paul (Va.), 107 S. E. 785.